

REMARKS

Claims 1, 4 and 8 have been amended. Claims 1, 3-8, 10, 11, 13-17 remain pending in this application.

I. Claim Objection

The office action states that the claim language is objected to because it uses the language “investment alternatives” which may be confused with “allocation alternatives” also in the claims. As per the examiner’s suggestion, applicant has changed the language of “investment alternatives” back to “securities” to make the claims more clear. This change was made in claims 1 and 4.

Applicant submits that the object to the claims should be withdrawn.

II. Rejection of Claims Under Section 101

The office action states that the rejection of the claims under Section 101, based on *In re Bilski*, have been overcome. However, the claims are now stand rejected under Section 101 because they purportedly do not produce a useful or tangible result. It is therefore presumed that applicant’s claims are already concrete under Section 101. Thus, applicant will address the issue of the claims being tangible and useful below.

The office action states that for a claimed invention to be statutory, the claimed invention must produce a useful, tangible and concrete result. It is asserted in the office action that the claimed steps do not produce the intended result. The office action further states that the preamble of the independent claims (claims 1 and 8) mentions that the intended result of the invention is to generate comparative statistics of investment performance for a whole-population of available asset allocation

alternatives over a plurality of analysis periods. The examiner points out that this intended result is not set forth in the actual claimed steps of the method of the present invention. In fact the examiner states that no useful results typically found in the trading art are provided, such as providing advisory on optimum allocation, selecting the best alternative, automatic purchasing of optimum allocation based on the above calculation, showing the result to a user.

In sum, the independent claims are objected to because they only include the steps to manipulate the data but do not use that result of that manipulation and calculations in any way.

In view of the comments of the examiner, the applicant has amended the claims to illustrate what is done with the result of the data manipulation and calculation in a tangible and useful manner that is consistent with the preamble of the claims and the supporting specification.

More specifically, independent claims 1 and 8 have been amended to state that the method includes: 1) generating comparative statistics of investment performance for whole populations of asset allocation strategies across multiple time periods to determine which of the asset allocation strategies has a desirable characteristic of investment return and risk; as well as 2) selecting an asset allocation strategy having a desirable characteristic of investment return and risk for investment by an investor. These additional steps illustrate that the method is carried out in a useful and tangible fashion in compliance with Section 101. With this amendment, the claims illustrate what is being done with the calculations, namely, that the comparative statistics are

generates so an asset allocation alternative/strategy with a desirable return can be determined. Then, that alternative/strategy can then be invested in by an investor.

These claim amendments are fully supported by the specification. For example, paragraphs [0050] through [0054] indicate the usefulness of the claimed invention where a list of recommended allocation strategies is made so that the investor can invest accordingly. Also, paragraph [0055] through [0057] further outline the utility of the present method where comparisons are made after various calculations and data manipulation. Again, allocation alternatives/strategies are then recommended to the investor for investing. Still further, paragraph [0058] through [0090] describe the utilization of the fields in a given database of securities data to communicate comparison statistics for use in either evaluating the allocation recommendations of investment managers or in selecting for alternative allocation strategies for an investor of for internal use in deciding on strategies for allocation of assets of a securities portfolio.

The claims, namely claims 1 and 8, are no longer just a mathematical construct or merely a manipulation of market data. They now clearly show how the results of the calculation are used. Thus, with these additional steps, applicant's claimed method, as amended, is both useful and tangible under Section 101. Applicant submits that the rejection of the claims under Section 101 should be withdrawn.

III. Allowable Subject Matter

Applicant submits that he claims are allowable over the prior art now that the rejection under Section 101 has been overcome, as above.

The examiner also notes that the feature of “determining a plurality of allocation alternatives which reside along an efficiency-line population of allocation alternatives” is not a novel step. This language was added at the examiner’s request. Applicant believes that this language helps to further clarify the present invention. Applicant maintains that claim 1, as a whole considering all claimed elements, still distinguishes over the prior art whether or not the language of “determining a plurality of allocation alternatives which reside along an efficiency-line population of allocation alternatives” alone is a novel step.

IV. Conclusion

Applicant submits that Claims 1, 3-8, 10, 11, 13-17, as amended, are fully allowable over the cited prior art. In view of the above, Applicant submits that pending Claims 1, 3-8, 10, 11, 13-17 are now in condition for allowance. Reconsideration of the Rejections and Objections are requested. Allowance of Claims 1, 3-8, 10, 11, 13-17 at an early date is solicited.

If an extension of time is required for timely submission of this response, Applicant hereby petitions for an appropriate extension of time and the Office is authorized to charge Deposit Account 02-0900 for the appropriate additional fees in connection with the filing of this response.

The Examiner is invited to telephone the undersigned should any questions arise.

Respectfully submitted,

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